

**Commercial Customs Operations Advisory
Committee (COAC)
Next Generation Facilitation Subcommittee**

**21st Century Customs Framework
Modernization Task Force
Recommendations**

June 29, 2022



Commercial Customs Operations Advisory Committee (COAC)
21st CCF Task Force

June 2022

COAC Recommendations:

1. COAC recommends that CBP proceed to internally finalize the following statutes, in addition to leveraging the appropriate COAC working group to further develop sub-statutory concepts identified in the course of 21CCF discussions. These sub-statutory concepts are also listed and summarized below:

21CCF Statutory Changes to be Finalized:

CBP Challenge Area 1: Limited Data Collection

- 19 USC 1321
- 19 USC 1498

CBP Challenge Area 2: Restricted Data Usage

- 19 USC 1628a and b

CBP Challenge Area 3: Narrow Visibility and Accountability

- 19 USC 1508
- 19 USC 1509

CBP Challenge Area 4.1: Preventing Loss of U.S. Revenue

- 19 USC 1499

CBP Challenge Area 4.2: Streamlining Enforcement Avenues that Protect U.S. Intellectual Assets and American Consumers

- 19 USC 1514(a)(4)

CBP Challenge Area 4.3: Driving Trade Compliance through Expanded and Streamlined Penalties

- 19 USC 1526(f)
- 19 USC 1436

Sub-Statutory Concepts to be Further Considered and Developed through the Appropriate COAC Working Group:

- Enhance uniform data sharing protocols between CBP and Partner Government Agencies (PGAs) to facilitate effective targeting and immediate, true release of cargo within the 1USG ACE platform.
 - Engage with the Border Interagency Executive Council (BIEC) to harmonize PGA data collection, analytics, and response to ensure timely decisions. Review the merits and near-term implementation of account-based processing.
 - Evaluate industry's concept of account-based processing.
 - Evaluate industry's trade automation wish list.
 - Evaluate opportunities to enhance entry processing and explore other modernization opportunities.
2. COAC recommends that CBP, the 21CCF Focus Group, and any additional PGAs as appropriate, continue to discuss and attempt to finalize the below statutory changes proposed by CBP and separately, by industry.

CBP-Proposed Statutory Changes for Further Discussion:

CBP Challenge Area 1: Limited Data Collection

- 19 USC 1484

CBP Challenge Area 2: Restricted Data Usage

- 19 USC 1415

CBP Challenge Area 4.1: Preventing Loss of U.S. Revenue

- 19 USC 4320, 1321, and 1498
- 19 USC 1623
- 19 USC 1517

CBP Challenge Area 4.2: Streamlining Enforcement Avenues that Protect U.S. Intellectual Assets and American Consumers

- 19 USC 1526(e), 1595a(f), and 1607

CBP Challenge Area 4.3: Driving Trade Compliance through Expanded and Streamlined Penalties

- 19 USC 1595a(b)
- 19 USC 1595a(d) and (e)
- 19 USC 1592
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Industry-Proposed Statutory Changes for Further Discussion:

- 19 USC 1431(c) - Automatically treat manifest and Customs declaration data of all transportation modes as private and confidential business information.
- 19 USC 1411 and 19 USC 4316 – Codify PGA engagement with trade, including COAC reporting to the existing Border Interagency Executive Council, establishing a framework that requires the PGAs engagement with and reporting to the trade, provides visibility and input to harmonize cargo processing and release protocols, require true 1USG cargo release through interoperable platforms, and also ensures appropriations for funding of such measures.
- 19 USC 4301 – Require each PGA with authority to detain and release merchandise entering the U.S. to set forth CTPAT-PGA minimum security and compliance criteria and to implement a program for importers, exporters, and other appropriate parties, providing benefits, facilitating the release of cargo, minimizing inspections and exams, limiting the recall of merchandise into custody as well as other tangible, meaningful benefits that CBP and PGA’s develop in collaboration with the COAC. The CTPAT PGA programs shall not limit or restrict any PGA’s ability to develop and implement its own trusted trader programs in addition to the CTPAT PGA program, in order to provide more fulsome or recurring benefits.
- Statute TBD – seek legislation that authorizes Congress to appropriate the necessary amounts to carry out improvements in a uniform 1USG single window cargo admissibility, release, and summary, specifically related to improvements in the Automated Commercial Environment and the International Trade Data System and to carry out a government-wide CTPAT-PTGA program via the CBP CTPAT portal for each of fiscal years 2023 through 2027.
- 19 USC § 58c in an effort codify the ability to reduce Merchandise Processing Fee (MPF) for CTPAT Trade Compliance members and ensure MPF is allocated to CBP for operations and automation.